



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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May 31, 1990

Mr. E. B. King, President
Jumbo Mining Company
6305 Fern Springs Cove
Austin, Texas 78730

Dear Mr. King:

Re: Approval Request to Commence 60-day Test Leach, Jumbo Mining Company,
Drum Mine, M/027/007, Millard County, Utah

I am in receipt of your May 30, 1990 fax discussing start up of 60-day heap-leach tests for pads No. 2 LG and No. 7 designed to test liner integrity as required by the Bureau of Water Pollution Control. These activities are considered mining activities under the Utah Mined Land Reclamation Act and resultant regulations. Normally, such activities are not allowed until a Mining and Reclamation Plan (MRP) and bond covering these activities has been approved by the Division.

In this case, these pads are still permitted and bonded by Western States Minerals Corporation (WSMC). I cannot grant approval for Jumbo Mining Company (JMC) to conduct mining activities on WSMC's property, but will allow JMC to do so provided that such activity is not objectional to WSMC.

In such a case, the Division's position would be that the reclamation responsibility for these pads lies with WSMC until the JMC permit and bond have been amended to accommodate the mining and reclamation operations attendant to use of these pads.

Prior to my receipt of WSMC's approval for JMC to conduct mining operations on WSMC's property, or prior to the Division's approval of the above-referenced amendments to JMC's MRP and bond, I cannot approve initiation of heap-leach liner testing.

Sincerely,

Lowell P. Braxton
Associate Director, Mining

vb

cc: Frank Filas, WSMC
Dave Hartshorn, JMC
Phil Allard, House RA, BLM
Don Ostler, BWPC
Minerals Staff

MI69/46&47

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